

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 6718**  
**BILL NUMBER:** HB 1083

**DATE PREPARED:** Feb 22, 2002  
**BILL AMENDED:** Feb 21, 2002

**SUBJECT:** Courts.

**FISCAL ANALYST:** Mark Goodpaster  
**PHONE NUMBER:** 232-9852

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

STATE IMPACT	FY 2002	FY 2003	FY 2004
State Revenues			
State Expenditures		68,838	137,677
Net Increase (Decrease)		(68,838)	(137,677)

**Summary of Legislation:** (Amended) This bill has the following provisions:

- (A) It adds an additional judge to the Vigo Superior Court.
- (B) It grants the Shelby Circuit Court concurrent jurisdiction with the Shelby Superior Court #1 to hear juvenile cases.
- (C) It reauthorizes the Allen County alternative dispute resolution (ADR) pilot project for parties contemplating divorce. It provides that the ADR project may include nonbinding arbitration.
- (D) It permits a senior judge to serve as a domestic relations mediator.

**Effective Date:** (Amended) July 1, 2002; January 1, 2003.

**Explanation of State Expenditures:** (Revised) *Vigo Superior Court*: The added annual expenditure to the State General Fund is estimated to be \$68,838 for FY 2003 and \$137,677 for each subsequent fiscal year. The cost for a judge for 12 months is shown in the following table.

<u>Item</u>	<u>Comments</u>	<u>Cost</u>
Salary	Specified in statute	\$90,000
Life Insurance	0.41% of Salary	\$369
Health, Dental, and Vision	Estimated by the State Budget Agency	\$6,033
Social Security	7.65% of salary	\$6,885
Disability Insurance	2.1% of salary estimated by State Budget Agency	\$1,890
Judges Retirement Fund	35% of Salary	\$31,500
Judicial Center	Includes materials and postage, but not possible staffing	\$1,000
<b>Total Cost for New Court:</b>		<b><u>\$137,677</u></b>

*Senior Judges As Domestic Relations Mediators:* Senior judges are paid a per diem of \$50 out of the State General Fund.

### **Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) *Vigo Superior Court:* Vigo County may need to hire additional support staff and find space for this new court.

*Courts in Shelby County:* Allowing the Shelby Circuit Court to have concurrent, coordinate, and coextensive jurisdiction on juvenile matters and proceedings with the Shelby Superior Court #1 could create administrative efficiencies between these courts. Under current law, jurisdiction over juvenile matters in Shelby County is solely vested in Shelby Superior Court #1.

*Alternative Dispute Resolution Programs in Allen County and Other Counties:* Allen County Circuit and Superior courts have been permitted to operate alternative dispute resolution programs as part of marriage dissolutions since 1997. This portion of the bill would allow for this program to continue through December 31, 2006. Alternative dispute resolution programs use mediation, reconciliation, and parental counseling to assist parties in the dissolution actions to resolve their differences in a more cooperative manner.

A followup study being submitted to the Indiana Judicial Center concludes that over two-thirds of the cases mediated reached a partial or full settlement. This reduces court time and leads to better control of the court calendar.

This bill would permit courts other than Allen County courts to operate an alternative dispute resolution program. Implementation of a program could potentially improve movement of cases in the local court systems and reduce delay in the issuance of dissolutions.

**Explanation of Local Revenues:** (Revised) *Alternative Dispute Resolution Programs:* Allen County reports that between 1997 and 1999, the additional \$20 fee has generated \$54,918 in Allen County. Of these revenues, 57% were spent on mediation training, a facilitator in Allen Circuit Court, fees for mediation services, and a research consultant.

Under current law a \$120 civil fee is charged for marriage dissolutions to pay for the cost of the Alternative Dispute Resolution Program in Allen County. This provision allows for \$124 to be charged for marriage

dissolutions, petitions for separation, and paternity cases in Allen County. During CY 2000, 1,916 marriage dissolution/separation cases and 979 juvenile paternity cases were filed in all of Allen County's courts. The additional revenue could generate an additional \$10,000 for the program.

**State Agencies Affected:** Judicial Center, Division of State Court Administration.

**Local Agencies Affected:** Trial Courts in Vigo County; Shelby Superior Court #1; Shelby Circuit Court; Allen Circuit and Superior Courts; and other trial courts.

**Information Sources:** *Report on the Study of the Allen County Family Relations Alternative Dispute Resolution Plan*, submitted to the Board of Directors of the Indiana Judicial Conference, December 9, 1999; Draft of Allen County Alternative Dispute Resolution Project Phase II, 2001; Tom Felts, Magistrate, Allen Circuit Court.; IC 33-4-8-5.